



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

BRENNON T. MORIOKA
DIRECTOR

Deputy Directors
MICHAEL D. FORMBY
FRANCIS PAUL KEENO
BRIAN H. SEKIGUCHI

IN REPLY REFER TO:

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

ISSUANCE OF DIRECT LEASE - MARJET INC.
HONOLULU INTERNATIONAL AIRPORT

OAHU

REQUEST:

Issuance of a direct lease to Marjet Inc. for development, construction, operation, and maintenance of a general aviation hangar facility, and conduct commercial general aviation activities at Honolulu International Airport.

LEGAL REFERENCE:

Subsection 171-59(b), Hawaii Revised Statutes, as amended.

APPLICANT / LESSEE:

MARJET INC., a Nevada corporation authorized to do business in the State of Hawaii

LOCATION AND TAX MAP KEY:

Portion of Honolulu International Airport, Honolulu, Island of Oahu, identified by Tax Map Key: 1st Division, 1-1-76:5

AREA:

Lot/Space Nos. 011-104, containing a land area of 8,050 square feet of improved/unpaved general aviation land, as shown and delineated on the attached map labeled Exhibit A

ZONING:

State Land Use District:	Urban
City and County of Honolulu:	I-2 (Industrial)

ITEM M-1

LAND TITLE STATUS:

Section 5(e) - Public Law 88-223 - “ceded” land of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ☐ NO ☒

CURRENT USE STATUS:

Land presently encumbered by Governor’s Executive Order No. 3201, setting aside a portion of Honolulu International Airport under the control and management of the Department of Transportation, Airports Division, State of Hawaii, for Airport Purposes.

CHARACTER OF USE:

1. Development, construction, operation, and maintenance of a general aviation hangar facility; and,
2. Conduct commercial general aviation activities

TERM OF LEASE:

Twenty (20) years

LEASE COMMENCEMENT DATE:

To be determined by the Director of Transportation at a later date.

ANNUAL GROUND LEASE RENTAL:

First Five (5) Years (Lease Years 1 through 5): \$11,814.50 per annum, payable in quarterly installments of \$2,953.63, in advance, and based upon: (a) present ground lease rental rate of \$1.69 per square foot per annum for improved, unpaved general aviation land at Honolulu International Airport, excluding 1,400 square feet of apron space on the Premises for aircraft ingress/egress, maneuvering and storage; and (b) aircraft storage charge of \$48.00 per month for one of Lessee’s aircraft.

REOPENING OF ANNUAL GROUND LEASE RENTAL:

For each of the three remaining five (5)-year lease periods totaling fifteen (15) years, the fair market annual ground lease rental for each five (5)-year lease rental reopening period shall be determined separately when due at the time of reopening, in accordance with the provisions of Section 171-17, Hawaii Revised Statutes, relating to Appraisals, by an

independent real estate appraiser whose services shall be contracted for and paid by the Department of Transportation.

PERFORMANCE BOND:

Sum equal to at least one quarter (1/4) of the annual ground lease rental then in effect

MINIMUM IMPROVEMENTS REQUIREMENT:

\$100,000

PROPERTY CHARACTERISTICS:

Utilities: All utilities are available at the site

Improvements: Marjet Inc. desires to develop, construct, operate and maintain a general aviation hangar facility on the proposed leased premises.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The subject land area is covered by Volume 3, Environmental Assessment for the Honolulu International Airport Master Plan Update and Noise Compatibility Program, dated September 1989 and referenced as State Project No. AO1011-03. This Environmental Assessment evaluated the environmental effects of the recommended Airport Development Plan which would accommodate the forecast general and commercial aviation needs of the island of Oahu through the year 2005 and was prepared for the State of Hawaii, Department of Transportation, Airports Division by KFC Airport, Inc.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>X</u>	NO <u> </u>
Registered business name confirmed:	YES <u>X</u>	NO <u> </u>
Good standing confirmed:	YES <u>X</u>	NO <u> </u>

REMARKS:

In accordance with Section 171-59(b), HRS, relating generally to Management and Disposition of Public Lands and relating specifically to Disposition by negotiation, the Department of Transportation proposes to issue a direct lease to Marjet Inc. for the purpose of: (1) developing, constructing, operating, and maintaining a general aviation

hangar facility and other related accessory improvements; and (2) conducting commercial general aviation activities at Honolulu International Airport.

RECOMMENDATION:

That the Board authorize the Department of Transportation to issue a direct lease to Marjet Inc., subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval of the Department of the Attorney General as to the lease form and content.

Respectfully submitted,

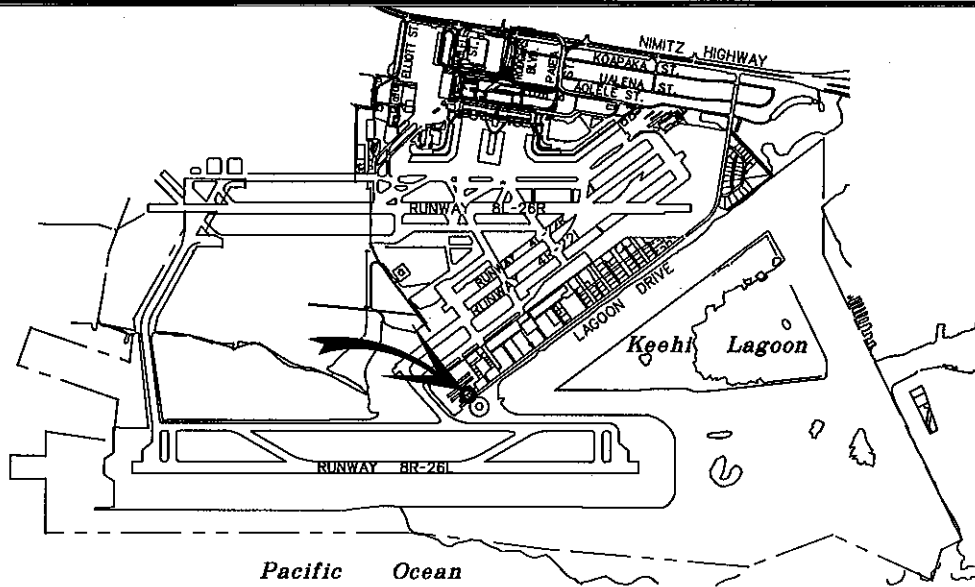


BRENNON T. MORIOKA, Ph.D, P.E.
Director of Transportation

APPROVED FOR SUBMITTAL:

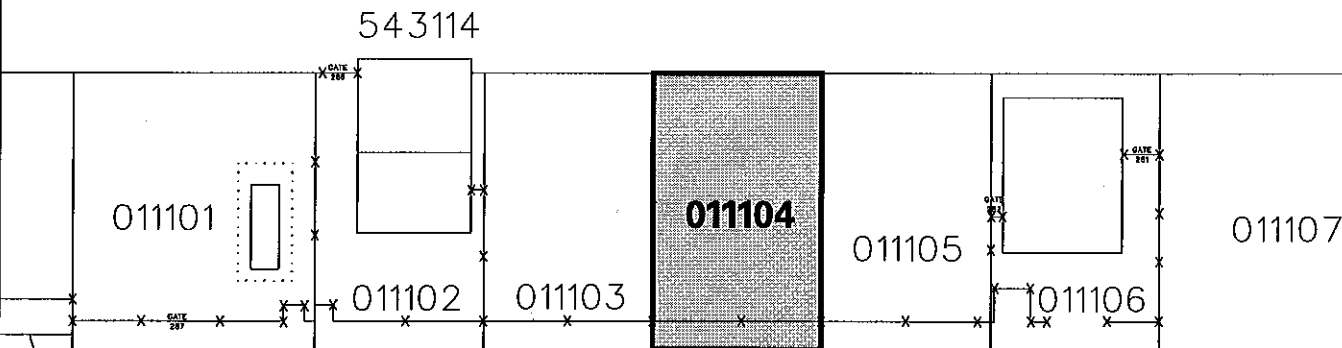
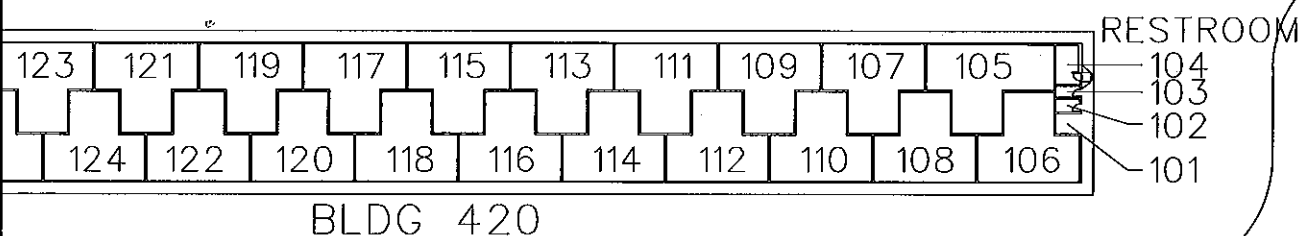


LAURA H. THIELEN
Chairperson and Member



5000:1

LOCATION PLAN



LAGOON DRIVE

SCALE: 1"=80'

AREA/SPACE	SQ. FT.
011 104	8,050

DATE: OCTOBER, 2004

EXHIBIT: A



Airports Division

MARJET INC.

SOUTH RAMP

011104

PLAT 45

HONOLULU INTERNATIONAL AIRPORT

\\d2112640\oahu_cad
\\hnl\projects\pm\ 011104.hnl